Maine State Library
Maine State Documents

Center for Workforce Research and Information Documents

Labor

4-1-2013

# Labor Market Activities of Maine Veterans, 2012

Maine Center for Workforce Research and Information

Maine Department of Labor

Follow this and additional works at: http://statedocs.maine.gov/cwri_docs

Recommended Citation

Maine Center for Workforce Research and Information and Maine Department of Labor, "Labor Market Activities of Maine Veterans, 2012" (2013). *Center for Workforce Research and Information Documents.* Paper 15.
http://statedocs.maine.gov/cwri_docs/15

This Document is brought to you for free and open access by the Labor at Maine State Documents. It has been accepted for inclusion in Center for Workforce Research and Information Documents by an authorized administrator of Maine State Documents. For more information, please contact statedocs@maine.gov.

MAINE DEPARTMENT OF LABOR
Center for Workforce Research & Information

Research Brief

Center for Workforce Research and Information

April 2013

# Labor Market Activities of Maine Veterans

There is much attention focused nationally on the challenges veterans face in the labor market, particularly veterans of the wars in Afghanistan and Iraq. In response, federal government, state and local governments, advocacy groups, businesses, and others are making efforts to assist veterans in their job search. The recent report Employment Situation of Veterans-2012 from the U.S. Bureau of Labor Statistics highlighted the national scope of unemployment and labor force participation among veterans. The following report draws on the same data as the U.S. report, plus supplementary Census data, to provide an analysis of workforce conditions for veterans in Maine.

## Introduction

There were 131,000 veterans in Maine accounting for 12.9 percent of the total civilian noninstitutional population 20 years of age or older in 2012 – the fourth highest percentage in the nation. Veterans are defined as men and women who previously served on active duty in the U.S. Armed Forces and were civilians at the time surveyed.

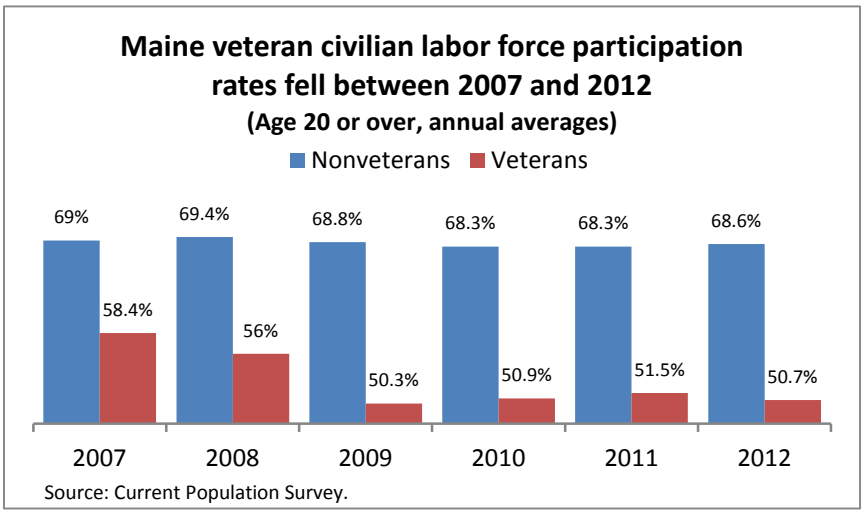
Slightly over 50 percent of veterans (66,000) participated in the labor force, either working (63,000) or looking for work (4,000) in 2012. The veteran unemployment rate was 5.6 percent.

The Gulf War I and II Era veteran labor force numbered 24,000, of which 22,000 were employed and 2,000 unemployed, with an unemployment rate of 6.7 percent. Gulf War II veterans served between September 2001 and present; Gulf War I veterans served between August 1990 and August 2001.

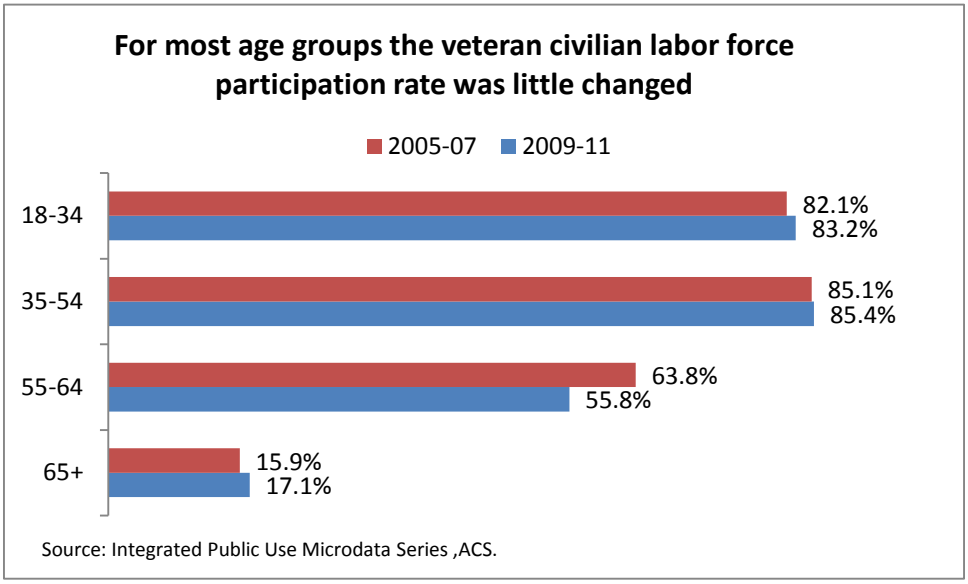
All estimates in this brief are based on samples from the Current Population Survey (CPS) and the American Community Survey (ACS). The CPS presents the latest annual estimates; three-year average ACS data provide detailed information. The ACS differs slightly from the CPS due to methodologies and timing of the surveys. In addition, the CPS statewide count is for veterans 20 or over while the ACS counts veterans 18 or over.

## Labor Force Participation

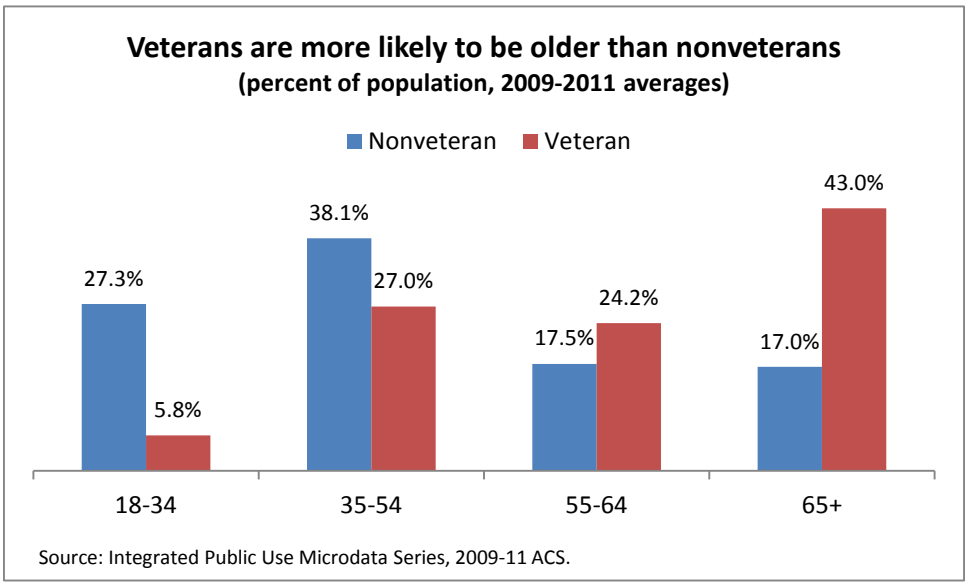
From 2004 to 2007, the rate at which veterans, age 20 or over, participated in the labor force (either working or actively looking for work) remained constant at 58 to 59 percent. The rate dropped as the recession deepened while the rate of participation by nonveterans was little changed. Since the end of the recession, there has been little change in the veteran rate. The declining veteran participation rate since 2007 was likely due in part to (1) veterans having a larger share than nonveterans of baby-boomers reaching retirement age (which lowers the overall rate) and (2) a with-in age group decline in participation by veterans aged 55 to 64 as finding a job remained difficult and many of these veterans ceased looking for work.



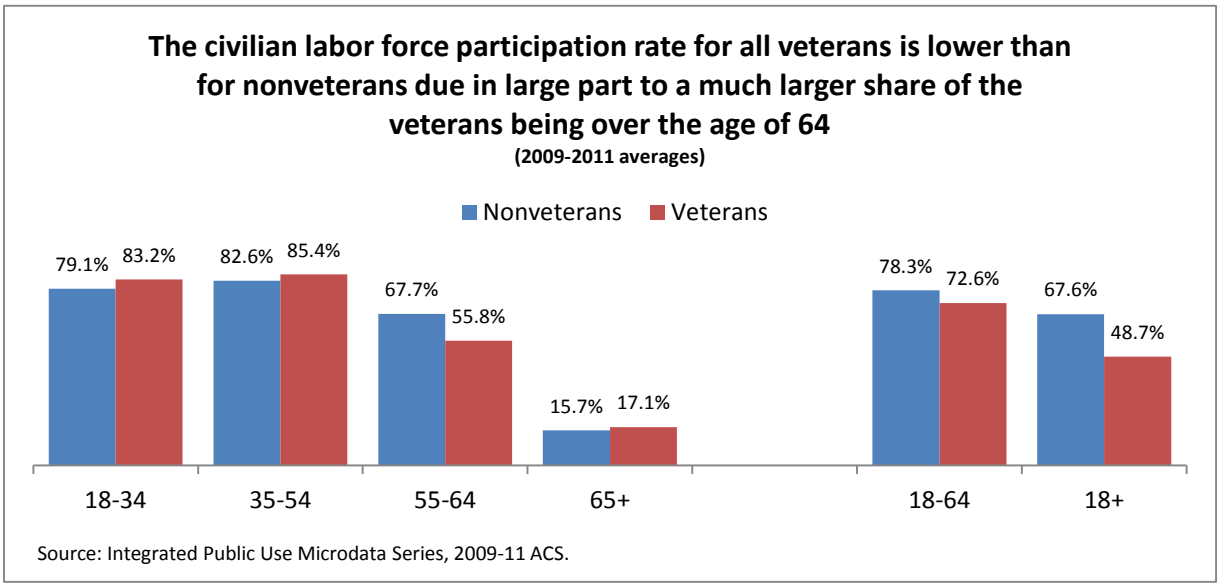

Three-year average data from the ACS provides a more detailed look at veteran participation rates by age group. Participation rates were little changed between the pre-recession years of 2005-2007 and the post-recession years of 2009-2011 for all age groups with the exception of veterans age 55 to 64.




The labor force participation rate for Maine veterans has consistently been lower than the nonveteran rate. In large part, the lower rate of veteran participation is due to the age distribution of the veteran population. Labor force participation drops as individuals aged beyond the prime working years. Veterans are likely to be older than nonveterans. Over 67 percent of the veterans are 55 or older, reflecting veterans who served during World War II, the Korean War, and the Vietnam era.

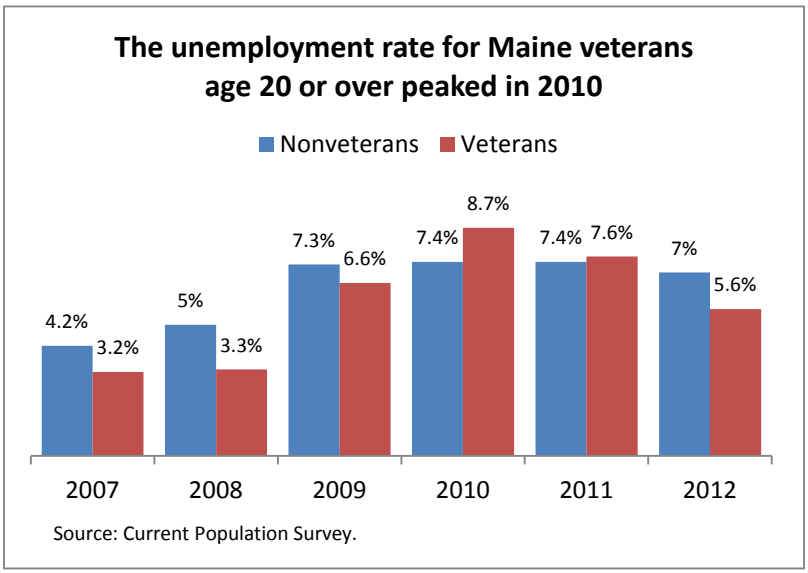



While the total veteran labor force participation rate is significantly lower than the nonveteran rate, the rates do not differ substantially by age group, with the exception of veterans aged 55 to 64. Even for the population 18 to 64 years of age, the participation rates do not differ much; 78.3 percent for nonveterans compared to the veteran rate of 72.6 percent. Adding in the population 65 and over of which veterans have a higher share, the veteran participation rate, at 48.7 percent, is much lower than the nonveteran rate of 67.6 percent.

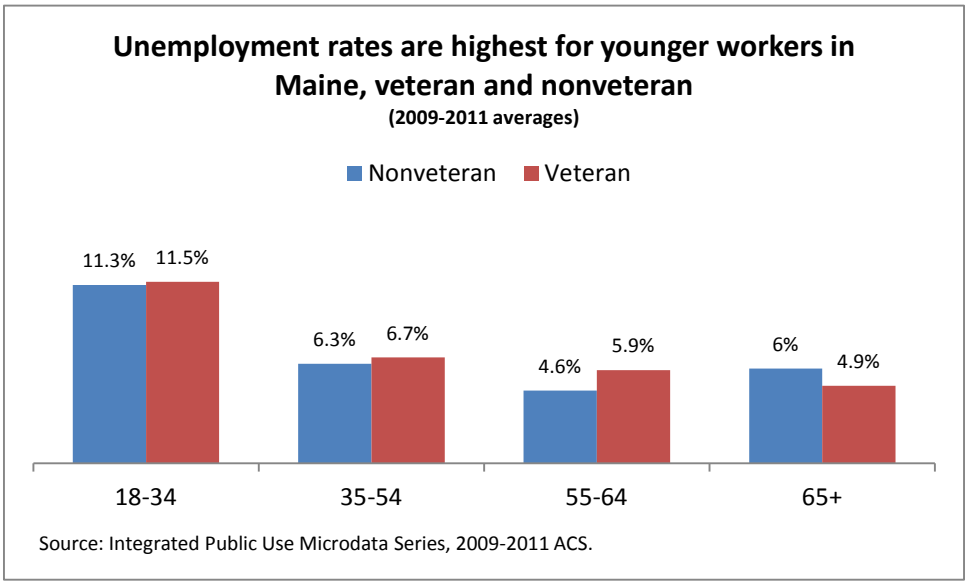



## Unemployment

The Maine veteran unemployment rate fell below the nonveteran statewide average in 2012. In the recessionary period of the early 2000s the veteran unemployment rate exceeded the nonveteran rate. The veteran rate was at or below the nonveteran rate from 2003 through 2009. Both rates rose as the recession began, with the veteran rate exceeding the nonveteran rate in 2010 and 2011, before falling below the nonveteran rate in 2012.




For each age group, the veteran unemployment rate was higher than the nonveteran rate with the exception of the 65 and over group. The high unemployment rate for veterans aged 18 to 34 results largely from the higher unemployment rate experienced by younger workers in general.




## County Estimates

The rate of veteran participation in the labor force (age 18 to 64) varies by county. While there is insufficient data to determine the exact reasons for this variation, the data available offers some possibilities. Labor force participation rates for veterans tend to be lower in rural counties where there are fewer job opportunities. The rates also tend to be lower in counties with a higher percentage of veterans with any disability.

### *Population*

The veteran population age 18 and over ranged from 3,028 in Franklin County to 22,759 in Cumberland County. The veteran population as a percent of the total population was highest in Sagadahoc,

Washington, and Waldo counties, at 15.2, 14.9, and 14.9 percent respectively. Piscataquis County data is not available due to lack of an adequate sample.

| Veteran Population by Maine County<br>Age 18 or Over, 2009-2011 Averages | | |
|---|---|---|
| County | Veteran Population | Percent of Total Population |
| Cumberland | 22,759 | 10.2% |
| York | 19,663 | 12.7% |
| Penobscot | 14,597 | 11.8% |
| Kennebec | 12,624 | 13.1% |
| Androscoggin | 10,429 | 12.5% |
| Aroostook | 7,365 | 12.8% |
| Oxford | 5,883 | 12.9% |
| Hancock | 5,475 | 12.3% |
| Somerset | 5,325 | 13.0% |
| Waldo | 4,558 | 14.9% |
| Knox | 4,256 | 13.2% |
| Sagadahoc | 4,217 | 15.2% |
| Washington | 3,930 | 14.9% |
| Lincoln | 3,805 | 13.6% |
| Franklin | 3,028 | 12.3% |

Source: American Community Survey, 2009-2011.

### *Labor Force Participation*

Veterans age 18 to 64 were least likely to participate in the labor force in Lincoln, Washington, Franklin, Somerset, Oxford, and Knox counties – counties that are more rural with fewer job opportunities. Veterans generally had the highest rates of participation in counties with relatively high levels of economic activity.

| Veterans in the Civilian Labor Force by Maine County<br>2009-2011 Averages, Age 18 to 64 | | |
|---|---|---|
| County | Labor Force | |
| | Participation Rate | Number |
| Cumberland | 79.7% | 10,292 |
| Sagadahoc | 77.8% | 1,971 |
| York | 76.1% | 8,147 |
| Hancock | 75.4% | 2,134 |
| Androscoggin | 74.8% | 4,737 |
| Kennebec | 72.7% | 5,484 |
| Aroostook | 71.2% | 3,214 |
| Penobscot | 70.4% | 6,057 |
| Waldo | 70.4% | 1,842 |
| Knox | 69.7% | 1,466 |
| Oxford | 69.0% | 2,233 |
| Somerset | 67.7% | 2,084 |
| Franklin | 67.6% | 1,110 |
| Washington | 66.0% | 1,558 |
| Lincoln | 65.3% | 1,413 |

Source: American Community Survey, 2009-2011.

### *Unemployment*

Unemployment rates for Maine veterans ranged from 3.5 percent in Franklin County to 10.7 percent in Androscoggin County. In 10 of the 15 counties for which there was data, the nonveteran unemployment rate was higher than the veteran rate.

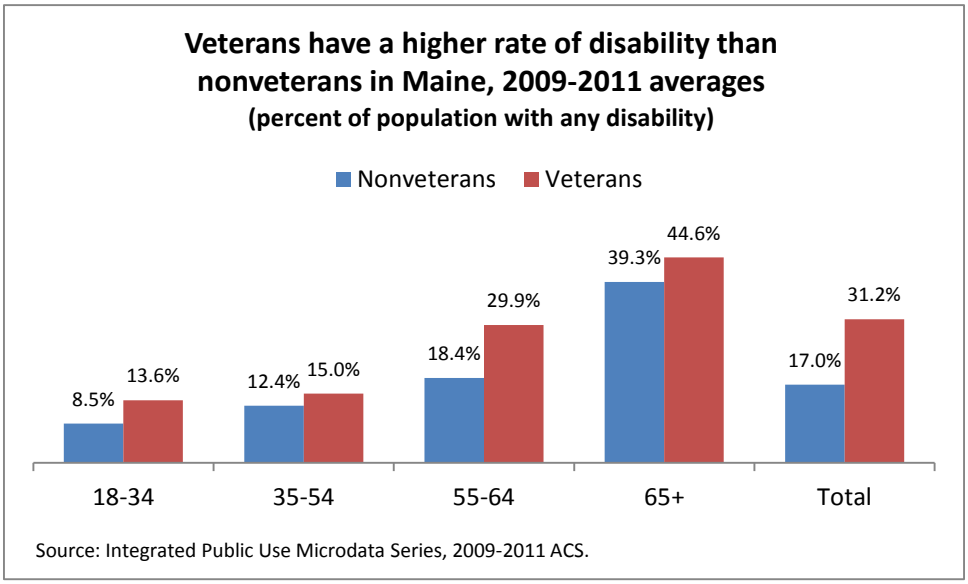
**Unemployment Rate by Maine County**
**2009-2011 Averages, Age 18 to 64**

| County | Unemployment Rate | |
|---|---|---|
| | Veteran | Nonveteran |
| Androscoggin | 10.7% | 10.1% |
| Lincoln | 9.8% | 6.2% |
| Somerset | 9.4% | 9.3% |
| Waldo | 8.8% | 9.4% |
| Oxford | 8.6% | 10.0% |
| Knox | 8.3% | 4.5% |
| York | 7.6% | 7.8% |
| Penobscot | 6.9% | 7.9% |
| Washington | 6.9% | 12.2% |
| Kennebec | 6.8% | 8.2% |
| Cumberland | 6.2% | 6.1% |
| Aroostook | 6.0% | 7.4% |
| Hancock | 5.1% | 7.6% |
| Sagadahoc | 4.4% | 5.8% |
| Franklin | 3.5% | 9.4% |

Source: American Community Survey, 2009-2011.

### *Disability*

Veterans were more likely to have a disability (any disability) as a group than nonveterans. Two factors account for this: (1) veterans are more likely to have a disability in each age group and (2) the age distribution of the two populations, with veterans being older on average.



All counties had a veteran disability rate of at least 24 percent, with the highest rate in Somerset County (36.1 percent).

| Percent of Population With Any Disability by Maine County, 2009-2011 Averages (age 18 and over) | | |
|---|---|---|
| County | Disability Rate | |
| | Veteran | Nonveteran |
| Somerset | 36.1% | 19.9% |
| Penobscot | 35.6% | 18.4% |
| Oxford | 35.4% | 20.1% |
| Lincoln | 33.7% | 15.3% |
| Aroostook | 33.3% | 24.2% |
| Hancock | 33.3% | 14.8% |
| Waldo | 32.8% | 17.5% |
| Washington | 32.6% | 23.7% |
| Androscoggin | 31.7% | 17.1% |
| Franklin | 30.4% | 17.2% |
| Knox | 28.8% | 17.0% |
| Kennebec | 27.7% | 17.0% |
| Sagadahoc | 27.7% | 16.2% |
| Cumberland | 24.2% | 12.5% |
| York | 24.2% | 13.9% |

Source: American Community Survey, 2009-2011.